

## ASSIGNMENT

## 5

Textbook Assignment: "Inventory Management"— continued, chapter 7, pages 7-9 through 7-18; "Material Expenditures," chapter 8, pages 8-1 through 8-14, Appendix I, and "Accounting Classification," chapter 9, pages 9-1 through 9-8; "Afloat Accounting and Reporting," chapter 10, pages 10-1 through 10-2.

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*Learning Objectives:* Define selected item management (SIM) and describe the management procedures required.

5-1. All EXCEPT which of the following actions is a SIM repair part inventory management requirement?

1. Maintaining joint tile of SIM and non-SIM stock records
2. Maintaining close and continuing attention to details
3. Submitting a quarterly stock status review
4. Submitting a semiannual inventory

5-2. Which of the following items of information makes it possible for the supply department to maintain sufficient amounts of material on hand to support the ship during deployments?

1. Stock records
2. Load lists
3. Spot inventories
4. Inventory schedules

5-3. Ships that have completed a SOAP/ILO since July 1974 should maintain what color of stock record cards for "Q" COSAL items?

1. Red
2. Green
3. Buff
4. Blue

5-4. Use of which of the following tiling equipment is recommended for filing SIM stock record cards?

1. Card tile trays
2. Card tile drawers
3. Card tile boxes
4. Each of the above

5-5. When the original stock record card is filled up and a new card must be prepared, any outstanding requisition appearing on the original card must be treated in what way?

1. Canceled and resubmitted
2. Transferred to the new card
3. Completed (material received) before the original card is filed
4. Transferred to a special outstanding requisition log

5-6. When should you post receipts to the stock record cards?

1. On the last day of the month in which the material is received
2. Daily as material is received
3. Daily as requisitions are prepared
4. Weekly as you post issues

5-7. Which of the following data elements on a receipt document should be compared with those on the stock record card?

1. Unit price, COG, and NSN
2. Unit of issue, storage location, and NSN
3. Quantity received with quantity requisitioned and NSN
4. All of the above

5-8. What action, if any, should be taken on the outstanding requisition portion of the stock record card when partial shipment is received?

1. Cross out the requested quantity and enter the remaining quantity due
2. Make out a new stock record card
3. Enter the requisition number and leave the quantity blank
4. Take no action until the receipt is complete

5-9. When there is a change in the unit of issue, it may require a change in which of the following factors?

1. The quantity on hand
2. The high and low limits or allowance
3. The demand quantity
4. All of the above

5-10. When a receipt shortage exceeds \$100 per line item, what action, if any, should you take?

1. Make out a dummy credit invoice for shortage
2. Reject and return the shipment to the originator
3. Report the shortage as a receipt discrepancy
4. No action is required unless shortage involves controlled equipage

5-11. Which of the following receipt shortages should be resolved directly with the supplying activity?

1. Navy owned material received during UNREP only
2. Navy owned material received from a NSC only
3. Navy owned material received from GSA
4. Navy owned material received during UNREP or from an NSC

5-12. After a receipt has been posted to the stock record, the receipt document should be forwarded to which of the following ship's personnel?

1. Requisitioning Storekeeper
2. OPTAR records Storekeeper
3. ACCESS records Storekeeper
4. Records and reports Storekeeper

5-13. The total quantity of material requested has NOT been received, and no suffix code has been entered in column 44 of the receipt document, What does this indicated?

1. Requisition is considered to be completed
2. Requisition is considered to be incomplete
3. Remaining material will be forwarded as required
4. Quantity not received has been back-ordered

5-14. Which of the following actions should be considered an objective of inventory control procedures used afloat?

1. Focus attention on the relatively few items that will satisfy the majority of demands for material
2. Increase physical inventory requirements and allow for individual physical inventory procedures
3. Increase the number of stock record management data changes required to be made by nonautomated ships
4. Each of the above

*Learning Objective:* Define expenditure and differentiate between the various types of material expenditures.

5-15. All actions that result in a decrease to Navy assets can be described as what types of transaction?

1. Transfer
2. Surveys
3. Issues
4. Expenditures

A. Issue  
B. Transfer  
C. Survey  
D. Loan

Figure 5B.—Expenditure Documents

IN ANSWERING QUESTIONS 5-16 THROUGH 5-19, SELECT FROM FIGURE 5B THE TYPE OF EXPENDITURE INVOLVED IN EACH SITUATION LISTED AS THE QUESTION.

5-16. Movement of material from the custody of one supply officer to the custody of another supply officer

1. A
2. B
3. C
4. D

5-17. Storeroom material is expended for use by the engineering department.

1. A
2. B
3. C
4. D

5-18. A typewriter is dropped and damaged beyond repair.

1. A
2. B
3. C
4. D

5-19. During inventory a "loss by inventory" is recorded for several stock items.

1. A
2. B
3. C
4. D

*Learning Objective:* Indicate the numbering, recording, and filing requirement for transfer and survey documents.

5-20. All except which of the following elements are included in an expenditure document number?

1. The Julian date
2. A four-digit serial number
3. The ship's UIC
4. The classification code of the expended material

5-21. Expenditures in document serial numbers are assigned in which of the following ways?

1. A single series of numbers is used
2. A separate series of numbers is used for different material categories
3. Either 1 or 2 above
4. The requisition serial number log

5-22. Throughout the fiscal year, all except which of the following documents are numbered consecutively?

1. Surveys of controlled equipage
2. Turn-ins of repairable items
3. Transfers of ordnance material
4. Surveys of food items

5-23. Your supply officer determines that a single series of expenditure document numbers will be used for all transfers and surveys and directs you to set up the Expenditure Record Log for the new fiscal year, What total number of sections must the log contain?

1. One
2. Two
3. Three
4. Four

5-24. Expenditure invoices should be filed in what manner?

1. By expenditure document number
2. By expenditure serial number
3. By completion date of the expenditure
4. By approval date of the expenditure

*Learning Objectives:* Identify the procedures for processing issue requests; recognize the reason for controlling issues and the method used.

5-25. Normally, you will accept requests from, and issue material to which of the following individuals?

1. Heads of departments only
2. Persons designated by heads of departments
3. Any member of the departments
4. Only persons designated by the supply officer

5-26. Which of the following reasons is valid for controlling issues of material?

1. To reduce the number of material requests
2. To retain more material in the storerooms
3. To restrict the number of stock replenishment requisitions
4. To ensure that only essential material is requested

5-27. The ship's OPTAR is normally distributed to the various departments in what form?

1. Issue authorizations
2. An operating budget
3. A supplementary OPTAR
4. A departmental budget

5-28. All issues of stock material and all DTO material procured by the supply department must be recorded on which of the following forms?

1. NAVSUP Form 1250-1
2. NAVSUP Form 1250-2
3. DD Form 1348 and 1348-1
4. DD Form 1149 and 1150

*Learning objective:* Recognize the factors involved and the procedures that should be followed when material is transferred to ships and supply activities ashore.

5-29. Which of the following sources provides authority for a supply officer to transfer material?

1. The NAVSUP P-485
2. The supply department or ship's organization manual
3. Supply department instructions
4. OPNAVINST 3120.32 instructions

5-30. In determining the availability of material to be transferred, the supply officer must consider all EXCEPT which of the following factors?

1. Quantity on hand
2. Anticipated usage until replenishment
3. The advice of the using department
4. The unit price of the requested item

5-31. When you are posting the stock record card, how are transfers distinguished from issues?

1. The transferred quantity is circled
2. The document numbers are different
3. Transfers are not posted until the replacement is received
4. Transfers are entered on the reverse of the stock record card

5-32. Invoices covering transfers to other ships supply officers are summarized at the end of the month on what form?

1. Record of Receipts and Expenditure, NAVSUP Form 367
2. Inventory Record, NAVSUP Form 1059-1
3. Summary of Material Receipts/Expenditures, NAVCOMPT Form 176
4. Journal of Expenditures, NAVSUP Form 1978

5-33. Whether a credit will or will not be granted for the turn in of excess material is determined by which of the organizations or individuals?

1. Quality inspector of the material at receiving site
2. FISC receiving the excess material
3. Type commander
4. Inventory manager

5-34. A survey is a procedure that must be initiated in all EXCEPT which of the following circumstances?

1. Storeroom material is lost
2. An incoming shipment is damaged by the carrier
3. Controlled equipage is damaged
4. A piece of Navy-owned equipment is destroyed by carelessness

*Learning Objectives:* Identify the various types of accounting and appropriations; recognize the titles and symbols of frequently used appropriations.

5-35. For accounting purposes, naval activities are divided into what two categories?

1. Fleet units and landing parties
2. Landing forces and sea support
3. Districts and type commands
4. Shore activities and operating forces

5-36. Who authorizes an appropriation to incur obligations?

1. Congress
2. Secretary of the Navy
3. Secretary of the Treasury
4. President of the United States

5-37. Most appropriations used to finance the normal operating costs of the Navy are for what period of time?

1. A month
2. A quarter
3. Six months
4. A year

5-38. The fiscal year covers what specific period of time?

1. 1 July to 30 June
2. 1 October to 30 September
3. 1 January to 31 December
4. 1 April to 31 March

5-39. What is the last date that obligations may be made against the appropriation 1781804?

1. 30 SEP 1996
2. 30 SEP 1997
3. 30 SEP 1998
4. 30 SEP 1999

5-40. What type of work is supported by a continuing appropriation?

1. Maintenance of buildings
2. Repair of office equipment
3. Preventive maintenance on vehicles
4. Construction of a supply building

- 5-41. Appropriations are placed in what order as to their status?
1. Current, lapsed, expired
  2. Current, expired, lapsed
  3. Lapsed, current, expired
  4. Expired, lapsed, current
- 5-42. At the end of their availability period. the unliquidated obligations of annual and/or multiple-year appropriations are transferred to which of the following government agencies?
1. Treasury
  2. Defense
  3. Navy
  4. Civil Defense
- 5-43. The third digit in the appropriation symbol on an accounting document covering charges and credits to funds provides which of the following items of information?
1. Type of fund
  2. Fiscal year
  3. Particular fund
  4. Department administering the fund
- 5-44. The first two digits of symbol 17X4911 indicate that the appropriation is administered by which of the following agencies?
1. Defense Department
  2. Comptroller of the United States
  3. Bureau of Naval Personnel
  4. Navy Department
- 5-45. The letter "X" in the appropriation symbol 17X1832 provides what specific information?
1. Bureau or office to which the appropriation is assigned
  2. Government department administering the appropriation
  3. No fiscal year limitations
  4. Specific purpose of the appropriation within a bureau or office
- 5-46. The systems command that administers a Navy appropriation is indicated in the accounting code by which of the following sets of digits?
1. The first six digits
  2. First two digits of the appropriation number subhead
  3. Last three digits of the fund symbol
  4. First two digits of the appropriation number
- 5-47. What type of fund is reimbursed in an amount equal to each expenditure?
1. Trust
  2. General
  3. Special
  4. Revolving
- 5-48. What fund is used to procure stocks of common supply items carried in the Navy Stock Account (NSA)?
1. Navy Industrial Fund
  2. Naval Working Fund
  3. Defense Business operations Fund
  4. Navy Management Fund
- 5-49. Within the Navy, control of the Defense Business operations Fund is the responsibility of which of the following individuals?
1. Chief of Naval Material
  2. Chief of Naval Operations
  3. Commander, Naval Supply Systems Command
  4. Secretary of the Navy
- 5-50. All except which of the following transactions would cause a charge against the Defense Business Operations Fund?
1. NSA losses by accounting, survey, or sale not properly charged to an appropriation
  2. Payment of claims approved by the General Accounting Office (GAO)
  3. Donations of surplus NSA material for public health and educational purposes
  4. Cash sales from the NSA to foreign governments
- 5-51. Which of the following symbols represents the Defense Business Operations Fund?
1. 17X4912
  2. 17X4888
  3. 17X4911
  4. 1711804
- 5-52. What is the inventory account title for material purchased by the Defense Business Operations Fund and held until needed by a Navy customer?
1. Navy Stores Account
  2. Navy Stock Account
  3. Appropriation Purchase Account
  4. Stores Inventory Account

- 5-53. Which of the following funds is a revolving fund used to finance commercial-type activities, such as a naval shipyard?
1. Naval Working Fund
  2. Navy Industrial Fund
  3. Navy Management Fund
  4. Navy Capital Fund
- 5-54. The Navy is involved in improving a runway of a British airfield. The cost of labor and material will probably be initially charged to which of the following funds?
1. Defense Business Operations
  2. Navy Industrial
  3. Naval Working
  4. Navy Management
- 5-55. A special short-time program financed by several bureau appropriations should be financed by which of the following funds?
1. Naval Working Fund
  2. Navy Management Fund
  3. Navy Stock Fund
  4. Special Project Fund
- 5-56. What funds are credited for money spent by Navy members procuring items from the ship's store of a naval vessel?
1. General Fund of the Treasury and Navy Management Fund
  2. Defense Business Operations Fund and Ship's Store Profits, Navy
  3. Ship's Store Profits Fund and Naval Working Fund
  4. Navy Management Fund and Navy Capital Fund
- 5-57. The Navy Ship's Store Profits Fund is what type of fund?
1. Trust
  2. Deposit
  3. Revolving
  4. Management
- 5-58. The purpose(s) of the accounting classification system include(s) which of the following goals?
1. To classify expenditures as to their type or purpose
  2. To designate activities responsible for maintaining official records of expenditures
  3. Both 1 and 2 above
  4. To establish public records of the receipt and expenditure of funds
- 5-59. Object class codes are used in what type of transactions?
1. All OPTAR transactions
  2. All transactions that do not affect the international balance of payments
  3. Only OPTAR transactions which affect the international balance of payments
  4. Only transactions other than OPTAR transactions
- 5-60. What previously assigned code is always used as the operating budget number?
1. Unit identification code
  2. Budget suffix code
  3. Operating budget grant code
  4. Service designator code
- 5-61. In connection with operating force OPTAR accounting, the authorized accounting activity is the unit identification code of the appropriate DFAS.
1. True
  2. False
- 5-62. Unit identification numbers are assigned by which of the following individuals?
1. Secretary of Defense
  2. Secretary of the Navy
  3. Comptroller of the Navy
  4. Director of the Budget
- 5-63. Responsibility for assigning an accurate unit identification code on requisitions rests with which of the following organizations?
1. Navy Finance Center
  2. Naval Supply Center
  3. Preparing activity
  4. Shipping activity
- 5-64. Appropriated funds are made available at the operating level in what form(s)?
1. Appropriations or warrants
  2. Apportionments or allotments
  3. Operating budgets
  4. Allotments or suballotments

5-65. Which of the following operating budget numbers will be shown on an invoice for fuel transferred from a fleet oiler to a destroyer in the Pacific?

1. 00004
2. 57070F
3. 00070F
4. 00070

5-66. CINCPACFLT's operating budgets for ship repair and for fuel are identified by budget suffix codes R and F.

1. True
2. False

5-67. In which of the following OPTAR transactions should an object class code be indicated on each document?

1. When material is transferred between type commands
2. When the transaction affected the international balance of payments
3. When an issue for end use is made
4. When material is transferred within the same type of command

5-68. CINCPACFLT receives two operating budgets. Which of the following codes is used to identify each budget?

1. A budget suffix code assigned by the CNO
2. A budget suffix code assigned by CINCPACFLT
3. Either 1 or 2 above
4. A budget suffix code assigned by COMNAVSURFPAC

5-69. The cost code shown on a requisition consists of which of the following elements?

1. Two zeros, unit identification code, and appropriation
2. Two zeros, Julian date, unit identification code, and fund code
3. Two zeros, fund code, and appropriator
4. Two zeros, Julian date, serial number, and fund code

*Learning Objectives:* Specify the actions to be taken by the accounting Storekeeper in maintaining OPTAR records and files; recognize the effects of those actions.

5-70. In what form do fleet commanders make supplies and equipage funds available to type commanders?

1. Appropriations
2. Allotments
3. Operating budgets
4. Operating targets

5-71. Operating target funds are assigned to ships and commands by which of the following organizations or individuals?

1. NAVSUP
2. NAVSEA
3. Fleet commanders
4. The commanders

5-72. Who is responsible on each ship for the proper use of OPTAR funds?

1. Commanding officer
2. Supply officer
3. Disbursing officer
4. Accounting Storekeeper

5-73. Accounting for operating budgets granted for the operation and maintenance of ships is performed by which of the following organizations?

1. Naval supply centers
2. Defense Finance and Accounting System
3. Navy disbursing officers
4. Each ship receiving a grant

5-74. Operating budget accounting records maintained by the fleet accounting officer are based on which of the following data?

1. Obligation data received from ships
2. Expenditure documents received from supply activities
3. Expenditure documents received from the disbursing officer
4. All of the above

5-75. What code used in the issue and requisitioning of material is the primary source of accounting data?

1. Work center code
2. Fund code
3. Unit identification code
4. Equipment identification code